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Analysis of the
**SAN FRANCISCO,
CALIFORNIA
HOUSING
MARKET**

as of November 1, 1971

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A Report by the
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FEDERAL HOUSING ADMINISTRATION
WASHINGTON, D.C. 20411

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Housing Market Analysis

San Francisco, California, as of November 1, 1971

Foreword

This analysis has been prepared for the assistance and guidance of the Department of Housing and Urban Development in its operations. The factual information, findings, and conclusions may be useful also to builders, mortgagees, and others concerned with local housing problems and trends. The analysis does not purport to make determinations with respect to the acceptability of any particular mortgage insurance proposals that may be under consideration in the subject locality.

The factual framework for this analysis was developed by the Economic and Market Analysis Division as thoroughly as possible on the basis of information available on the "as of" date from both local and national sources. Of course, estimates and judgments made on the basis of information available on the "as of" date may be modified considerably by subsequent market developments.

The prospective demand or occupancy potentials expressed in the analysis are based upon an evaluation of the factors available on the "as of" date. They cannot be construed as forecasts of building activity; rather, they express the prospective housing production which would maintain a reasonable balance in demand-supply relationships under conditions analyzed for the "as of" date.

Department of Housing and Urban Development
Federal Housing Administration
Economic and Market Analysis Division
Washington, D. C.

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Analysis of the San
Francisco, California
1972.

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FHA HOUSING MARKET ANALYSIS - SAN FRANCISCO, CALIFORNIA
AS OF NOVEMBER 1, 1971

The San Francisco, California, Housing Market Area (HMA) is defined to include the counties of Alameda, Contra Costa, Marin, San Mateo, and San Francisco. San Francisco County is coextensive with San Francisco City. This area also constitutes the San Francisco-Oakland Standard Metropolitan Statistical Area (SMSA) as defined by the U. S. Office of Management and Budget. The population of the HMA was estimated at 3,165,000 persons as of November 1971. In addition to the central cities of San Francisco and Oakland, there are several other large cities in the area, Alameda, Berkeley, Hayward, Fremont, San Mateo, San Leandro, and Richmond.

The near-term future outlook for the San Francisco area is for a gradual improvement over the current adverse economic situation. However, population and household growth rates, particularly during 1972, will be much lower than those of the past two decades and a reduced demand for additional nonsubsidized housing is anticipated as a result. The renter vacancy rate in the HMA has increased moderately from that reported in the 1970 Census and, because of the large number of units under construction and in planning, it is anticipated that the level of vacancies, particularly in the rental inventory, will increase throughout most of the two-year forecast period. At the same time, the need for housing produced under various subsidy programs will continue because of the comparatively large number of low- and moderate-income families who are housed inadequately in the area at the present time.

Anticipated Housing Demand

Based on current housing market conditions and on anticipated population and household growth trends in response to employment opportunities, it is judged that there will be a demand for 25,000 new nonsubsidized units annually in the HMA during the next two years, and that the most favorable market balance would be achieved if 10,600 units were supplied as sales housing, 13,400 units as rental housing, and 1,000 units as mobile homes. Distributions of the nonsubsidized sales demand by price

range and the rental demand by unit size and monthly gross rent are shown in tables I and II. A quantitative distribution of the estimated annual demand in each of the major HMA submarket areas is shown in the following table.

Estimated Annual Demand for New Nonsubsidized Housing
San Francisco, California, Housing Market Area
November 1, 1971 to November 1, 1973

<u>Area</u>	<u>Sales units</u>	<u>Rental units</u>	<u>Mobile homes</u>	<u>Total</u>
Alameda County	4,800	4,800	200	9,800
Contra Costa County	3,400	3,500	500	7,400
Marin County	950	800	100	1,850
San Francisco County	100	1,000	50	1,150
San Mateo County	1,350	3,300	150	4,800
HMA total	10,600	13,400	1,000	25,000

The projected level of demand for nonsubsidized housing units during the 1971 to 1973 period is above the level of new construction between 1966 and 1970, but is well below the number of units authorized by building permits in 1971. There was a steady increase in vacancy in the HMA during the first half of the 1960 decade because of the high volume of residential building activity. Conversely, the volume of residential construction during the latter half of the 1960's was less than the high rate of household growth, and as a result there was a decline in vacancy during that period--a greater decline than a comparison of 1960 and 1970 vacancy data would indicate because of the rise in vacancies until 1965 or 1966. It appears likely, however, that as many as 36,000 to 37,000 new nonsubsidized housing units will have been authorized by building permits in the HMA by the end of 1971, nearly double the 1969 total. Because of this, the estimate of demand for nonsubsidized housing is well below the number of units expected to be completed during 1971 and 1972. Because the level of population and household growth during the forecast period is not expected to be sufficient to absorb the large number of nonsubsidized units currently under construction and in planning, an increase in vacancy in the HMA throughout most of the forecast period can be anticipated.

There are three additional factors which must be considered in an evaluation of current and prospective housing conditions in the HMA. First, in an area as complex and diversified as San Francisco, comparative growth in the submarket areas depends, in part, upon job opportunities in specific areas, and can also be greatly influenced by changes in zoning, the adequacy and availability of mortgage financing, or developments in transportation. In this regard, the completion of the Bay Area Rapid Transit (BART) system in 1972 will have a profound effect on future economic growth patterns in the metropolitan area. The system will permit a greater mobility of the work force and more flexible patterns of residential and commercial development. Second, the increase in the volume of moderate-priced sales units, most of which are in Planned Unit Developments (PUD) might well alter the quantitative distribution of sales and rental units shown in the preceding table. An increase in the availability of these

units might well induce many current and prospective renter families to purchase new housing. Data are available that indicate that over three-fourths of the homebuyers in PUD's were former renters. Thus, an increase in the number of sales units built in planned developments likely will result in an increase in the number of sales units and a concurrent decline in the number of rental units which could be marketed successfully in the San Francisco area during 1972 and 1973. As a result, the delineation of the quantitative demand by sub-area should be regarded as a tentative estimate only, subject to changes in the aforementioned factors which could materially change the submarket distribution, even though the total demand might remain unchanged. A third factor to consider is the large number of multifamily units in the HMA currently under construction or in planning. Because of the more moderate rate of employment and population growth expected during the next two years, the absorption of new units coming on the market should be watched carefully and, if appropriate, the rental demand should be adjusted downward in specific submarket areas until improvement in the market is noted. Finally, it is important to note that the estimates shown above are not predictions of short-run construction activity. They are intended to indicate appropriate levels of new construction that would, given the economic, demographic, and housing factors discussed in this report, maintain an approximate balance between demand and supply in the area during 1972 and 1973.

Occupancy Potential for Subsidized Housing

Federal assistance in financing costs for new housing for low- or moderate-income families may be obtained through a number of different programs administered by HUD: monthly rent supplements in rental projects financed under Section 221(d)(3); partial payment of interest on home mortgages insured under Section 235; partial interest payment on project mortgages insured under Section 236; and assistance to local housing authorities for public low-rent housing. Monthly rent supplements also can be provided for a limited number of units in rental projects insured under the provisions of Section 236.

For each program, the estimated occupancy potential is designed to determine (1) the number of families and individuals who can be served under the program and (2) the proportion of these households that can reasonably be expected to seek new subsidized housing during the forecast period. Household eligibility for the Section 235 and Section 236 programs is determined primarily by evidence that household or family income is below established limits, but is sufficient to pay the minimum rent or monthly payment achievable for the specified program. Insofar as low-rent public housing or rent-supplement accommodations are concerned, all families and individuals with income below the income limit are assumed to be eligible. There may also be other requirements for eligibility such as the requirement that current living accommodations be substandard for families or individuals to be eligible to receive rent supplements. Some families may be alternatively eligible for assistance under one or more of these programs or under other programs utilizing federal, state or local assistance. In the San Francisco HMA, the total occupancy potential for federally-assisted housing is estimated to be 10,500 units annually during the November 1971 to November 1973 forecast period. As shown in table III, the total occupancy potential approximates the sum of the potentials for low-rent public housing and Section 236 housing. Future

proposals under these programs should take into account any intervening approvals under other federal, state, or local programs which serve the same families and individuals.

The annual occupancy potentials are based upon 1971 incomes, the occupancy of substandard housing, estimates of the elderly population, and on income limits currently in effect. They have been calculated to reflect also the estimated absorption capacity of the market in view of the current and prospective economic and housing conditions. In addition, the successful attainment of the potentials may well depend upon construction in suitable, accessible locations, as well as a distribution of rents and sales prices over the complete range attainable for new housing under the specified programs.

Section 235 and Section 236 Housing. Assisted housing for households with low to moderate incomes through partial payment of interest on home and project mortgages can be provided under the provisions of either Section 235 (sales housing) or Section 236 (rental housing). The Section 236 program also contains provisions for units for elderly couples and individuals. Utilizing regular income limits, it is estimated that there is an annual occupancy potential for a total of 2,950 units under either Section 235, Section 236, or a combination of the two programs. In addition, there is a potential for about 1,750 units of Section 236 rental housing for elderly couples and individuals annually during the two-year forecast period.

To date, activity under Section 235 has been confined primarily to Alameda and Contra Costa Counties. As of November 1971, the San Francisco HUD Area Office had issued approximately 520 commitments for the construction of new units likely to be insured under Section 235, of which all but 10 were for units located in the two aforementioned areas. A total of 125 new units had been insured under Section 235 as of July 1, 1971, the latest date for which data were available. Of these, 30 had been insured in 1970 and 95 units in the first six months of 1971. Under the Section 236, Section 221(d)(3) BMIR, and Section 202 programs, approximately 5,900 units had been completed in the HMA as of November 1971, and approximately 1,800 units (including 475 units for the elderly) were under construction at that time.^{1/} To date, approximately 45 percent of the units have been built in Alameda County, 30 percent in San Francisco, and 20 percent in Contra Costa County. Of the units under construction, about one-third of the total (600 units) are in Alameda County and one-third in San Francisco. The vacancy rate in the projects already completed is less than 2.0 percent at present. During the next year, the completion of the 1,325 Section 236

^{1/} Because of similar family size and income requirements, most of the families and elderly households eligible for housing produced under Section 221(d)(3) BMIR and Section 202 also are eligible for housing produced under Section 235 and Section 236. The Section 202 program for the elderly has been phased out, and applications for projects to accommodate low- to moderate-income elderly families and individuals now are processed under Section 236. The Section 221(d)(3) BMIR program also is being phased out, and the completion of a 32-unit project currently under construction will complete that program in the San Francisco metropolitan area.

moderate over-supply of sales housing. During the latter half of the 1960's declining levels of new construction and a higher rate of population growth in response to increased job opportunities led to an improvement in the sales market throughout the San Francisco area. The excess supply of housing was completely absorbed, as reflected by a sales vacancy rate in the HMA of only 0.9 percent at the time of the 1970 Census. Since April 1971, the supply of vacant units available for sale has increased by about 400, but the vacancy rate remains unchanged. Within the HMA, the sales vacancy rate currently is highest in Alameda and Marin Counties (1.1 percent) and lowest in San Francisco (0.7).

Despite a declining rate of household growth, most sales units built in the HMA in the last year or so have been satisfactorily absorbed. This is because the number of area families financially able to purchase new housing has increased recently because of an increase in the supply of mortgage funds for home financing, a moderate decline in interest rates, and an increase in the supply of moderately-priced homes. The strength of the market is reflected in survey data compiled by the San Francisco HUD Area Office. These surveys, which are conducted in January of each year, cover subdivisions in which five or more houses were completed in the preceding twelve months. A comparison of building permit data with the number of units included in the three most recent surveys indicates that roughly three-fourths of all units completed during 1968, 1969, and 1970 were surveyed. The January 1971 survey covered over 160 subdivisions in which 7,525 homes had been completed, including 3,375 units sold before construction was started and 4,150 units built speculatively. Of the houses built speculatively, about 650 (16 percent) were unsold in January 1971. In comparison, over 1,125 houses, or 24 percent of the units constructed on a speculative basis in 1969, were unsold in January 1970. The units reported unsold in January 1971 accounted for less than nine percent of all units surveyed, while the 1,125 units unsold in January 1970 comprised nearly 14 percent of all units surveyed. Perhaps the most interesting development in the San Francisco sales market has been the recent increase in the number of new, moderately-priced homes. The January 1971 unsold inventory reported that approximately 2,700 (36 percent) of all the units completed were priced below \$25,000, compared with 1,825 (22 percent) of the units built in 1969.

In recent years, most new single-family construction in the HMA has taken place in the East Bay area, namely, Alameda and Contra Costa Counties. In these areas, single-family construction is most feasible because of the amount of land available for development and because of somewhat lower land acquisition cost. In Alameda County, most of the higher-priced units (\$30,000 and over) are being constructed in the Pleasanton and Livermore areas, whereas the Fremont area accounts for most of the new construction in the \$20,000 to \$30,000 price range. Most of the speculative construction in the county is in the Fremont area because many builders anticipate that the completion of the Bay Area Rapid Transit system in mid-1972 will result in the migration of many persons to the area. The southern terminal of the BART line is in the city of Fremont. In Contra Costa County, the greatest proportion of units priced at \$30,000 and above are being built in unincorporated areas, principally the south central portion of the

units for families currently under construction, plus anticipated Section 235 activity, should accommodate roughly two-thirds of the estimated annual occupancy potential for such housing. However, the 475 Section 236 units currently under construction for the elderly will accommodate only about a fourth of the potential for the elderly under this program (see table III).

Public Housing and Rent-Supplement Programs. These programs serve families in essentially the same low-income group. The principal differences arise from the manner in which net income is computed for each program and from other eligibility requirements. For the San Francisco HMA, the annual occupancy potential for public low-rent housing is estimated to be 2,950 units for families and 4,200 units for the elderly, a total of 7,150 units. Only a little more than five percent of the families eligible for public housing are eligible for Section 235 or Section 236 housing, but over 25 percent of the elderly families and individuals eligible for public housing also qualify under Section 236. Under the rent-supplement program, the potential for families would be about 750 units or 25 percent of the figure shown above, but the elderly market would remain unchanged.

As of November 1971, there were approximately 19,100 low-rent public housing units under management in the HMA, including 3,025 units designed for elderly occupancy and 6,700 units of leased housing. An additional 1,975 units, including 575 for the elderly, were under construction in November 1971. Construction as yet has not started on another 1,425 units which are under an annual contribution contract (ACC). The inventory of rent-supplement accommodations in November 1971 was only 315 units, plus an additional 32 units still under construction. Nearly 40 percent of the low-rent public housing units in the HMA at the present time are in San Francisco and 30 percent are in Alameda County. Of the 1,975 units under construction, about two-thirds are in Alameda County and about one-fourth are in San Francisco.

As indicated in the preceding summaries, the number of subsidized housing units under construction and in development does not, for most programs, approach the estimated annual occupancy potentials shown in table III. There are extensive waiting lists for admission to public housing in the HMA (over 14,000 families and individuals at present) and units recently provided under Section 235, Section 236 and the public housing and rent-supplement programs have been absorbed very rapidly. Therefore, despite indications that the nonsubsidized segment of the housing market may become over-built during the next two years, it is judged that there exists at the present time a large unmet need for additional units to accommodate low- and moderate-income families, especially elderly couples and individuals and low-income families eligible for public housing or rent-supplement accommodations.

The Sales Market

In the first half of the 1960 decade, the volume of single-family construction in the HMA was slightly in excess of demand, resulting in a

county. The preponderance of low- and moderately-priced units (\$17,500 to \$25,000) are being built in the Walnut Creek-Pleasant Hills-Concord area eastward to Pittsburg and Antioch. As in Alameda County, there is considerable speculative construction in the Walnut Creek area in anticipation of the completion of the BART system next year. Construction activity in Marin County accounts for only a small portion of the HMA total because the topography limits the amount of land available for development. Relative to the total construction volume, a greater proportion of higher-priced houses is constructed in Marin County than in any other submarket. Most of the higher-priced units in Marin County (\$35,000 and above) are being constructed in the Novato and San Rafael areas. There are, also, a limited number of new units in these areas priced between \$25,000 and \$35,000. There are few, if any, tract developments in Marin County at the present time which have units priced below \$25,000. In San Mateo County, most of the units priced above \$35,000 are being constructed in San Mateo, Pacifica, and Foster City, and most of the new construction in the \$25,000 to \$35,000 price range is taking place in Foster City and Dale City. In San Francisco, single-family construction has declined to a nominal level because extremely high land costs make it uneconomic to develop low-density housing. Most of the new units that are completed sell for more than \$35,000.

The Rental Market

There was a moderate excess supply of rental units in the HMA in the mid-1960's, but a declining volume of apartment construction and a higher rate of household growth resulted in a sharp decline in the rental vacancy rate during the latter half of the 1960's. The rental vacancy rate in April 1970 was 4.6 percent, compared with a 6.5 percent vacancy factor at the time of the 1960 Census. Since 1970, however, the number of renter vacancies in the HMA has increased by nearly 1,700 units.

During the last year, rising unemployment and reduced levels of immigration have adversely affected the HMA rental market, and the increased production of rental accommodations has exceeded the absorptive capacity of the market. In addition, there are approximately 14,000 multifamily units under construction in the HMA at the present time. Because of these factors, it is expected that, given the projected lower rate of population and household growth discussed elsewhere in this report, vacancy levels have not yet peaked and can be expected to increase during the forecast period.

Although the over-all renter vacancy rate in the HMA increased only from 4.6 percent in April 1970 to 4.8 percent in November 1971, there are certain geographic sub-areas within the HMA where the supply of available rental accommodations has increased sharply during the last year and can be expected to increase still further because of the large number of apartments still under construction. The renter vacancy rate has increased faster in Contra Costa County than in any other major submarket area. Within the county, the rate of multifamily construction in the Walnut Creek-Pleasant Hills-Concord area has increased sharply during the past two years.

Undoubtedly, much of the new construction has been in anticipation of the completion of the BART system, which has a terminal in Concord. Following several delays, the system is scheduled to be operational in 1972. As a result, a large number of units had been completed or were under construction at a time when the San Francisco economy began to be affected by the downturn in employment. The absorption rate of new apartments already has slowed, and the market situation can be expected to worsen as units in new projects are completed. In San Mateo County, the increase in renter vacancies has not been as precipitous as in Contra Costa County, but in addition to several hundred units in the planning state, there are approximately 2,500 multifamily units currently under construction, and of these, approximately 80 percent will be moderate- to high-rent units in projects located in the San Bruno area. Within the other three major submarkets, the vacancy situation has not changed as much as in these two areas. In San Francisco, the volume of nonsubsidized apartment construction has declined in recent years, and most of the apartment units currently under construction are in either public low-rent housing or FHA Section 236 projects. In Marin County, the number of renter vacancies has increased slightly, but units in this submarket are usually absorbed fairly rapidly because Marin County has the highest annual rate of household growth in the HMA. The number of rental vacancies also has increased slightly in Alameda County, but the renter vacancy rate in November 1971 (4.8 percent) was the same as in April 1970. A number of available vacant units in Alameda County at the present time are older substandard units in the city of Oakland that are no longer competitive. In the suburban areas of Alameda County, most new rental units are being satisfactorily absorbed, although there are indications of a slowdown in the rate at which new units are being absorbed in the Hayward area.

Typically, new units being offered for rent in the HMA are one- and two-bedroom units in garden and townhouse projects. There are a limited number of efficiencies available, mostly in San Francisco, and very few new three-bedroom units. In the suburban areas of Alameda County, monthly shelter rents start at about \$150 to \$175 for one-bedroom units and \$175 to \$200 for two-bedroom units. In Oakland, rents are a little higher at about \$150 for efficiencies, \$175 to \$200 for one-bedroom units, and \$200 to \$225 for two-bedroom units. In suburban Alameda County, new apartment construction has been concentrated in the Livermore, Fremont, Alameda, and Pleasanton areas. In Contra Costa County, most new apartment construction is in the Walnut Creek, Pleasant Hills, and Concord areas. Average rents in new projects in these areas, excluding utilities, are about \$150 for one-bedroom units, \$180 to \$210 for two-bedroom units, and \$265 for a limited number of three-bedroom units. Within Marin County, rents in the northern part of the county around Novato are somewhat lower than in the southern part because of lower land costs. Monthly shelter rents in the Novato area range from \$145 to \$175 and up for one-bedroom units and \$165 to \$210 and up for two-bedroom units. In south Marin County (the Mill Valley, Tiburon, and San Raphael areas) monthly rents in the newer projects start at about \$225 for one-bedroom units and \$255 for two-bedroom units. In San Francisco, where rental ranges vary considerably, especially in high-rise structures, monthly rents start at about \$160 to \$175 for efficiencies, \$200 to \$250 for one-bedroom units and \$250 to \$350 for two-

bedroom units. In San Mateo County, most new apartment construction is in the San Bruno area, and there are additional units under construction in Foster City, Burlingame, and Pacifica. Gross monthly rents in San Bruno range from \$205 for efficiencies, \$235 for one-bedroom units and \$315 for two-bedroom units. In Pacifica and Burlingame, monthly rents in new projects under construction range from \$195 for one-bedroom units up to \$300 for two-bedroom units. In addition, there are a number of projects under construction in the Foster City area at monthly rents slightly above those in the Burlingame and Pacifica areas.

The Market for Housing in Planned Unit Developments

As discussed in the sales market section of this report, there has been a sharp increase in the number of new units built in the HMA which are priced to sell for less than \$25,000. An increasing proportion of the units in this price range are being built in Planned Unit Developments (PUD). In a PUD, a density of from 7 to 13 units per acre often is feasible, whereas only 3 or 4 units per acre can be constructed in a typical subdivision of single-family detached houses. In addition to being smaller (typically two-bedroom), the greater density affords some economies of site development, and as a result, units in a PUD often can be built to sell for less than most new detached homes. The January 1971 unsold inventory survey covered 1,325 units in the HMA completed in 1970 which were in PUD's and an additional 925 units which were under construction. The median sales price of units completed in PUD's in 1970 was \$24,900, compared to a median sales price of \$28,200 for all other units enumerated at the time of the survey. To date, PUD activity in the HMA has been confined to Alameda, Contra Costa, and San Mateo Counties.

The increase in PUD activity in the HMA has increased the supply of moderately-priced new homes and has enabled some families to purchase new units who had previously been unable to do so. Data available to date also indicate that more than three-fourths of the buyers in PUD projects in the San Francisco area were former renters rather than previous homeowners. Moreover, an increase in PUD activity can be anticipated during the coming years, because the number of PUD applications filed with local governmental authorities has increased sharply. Because of the likelihood of increased PUD activity, the marketability of units in these projects should be monitored carefully because there already are indications that units in some lower-priced projects in outlying locations are becoming vacant and available for rent and are competing with units in conventional rental projects.

Economic, Demographic, and Housing Market Factors

The estimated demand for an average of 25,000 new, nonsubsidized housing units in the San Francisco area during the November 1971 to November 1973 forecast period is based on the following findings and assumptions regarding economic factors, income, demographic patterns, and trends in the housing market.

Employment. A combination of several factors--the national economic slowdown, layoffs in the aerospace industry, reduced levels of defense-

related spending, and strikes in the transportation industry—have affected the San Francisco economy adversely over the past year or so. Nonfarm wage and salary employment in the HMA declined by 2,800 workers between 1969 and 1970; this compares with an average gain of 44,500 new jobs a year between 1965 and 1969, an average increase of 4.1 percent annually. Continuing the economic downturn, wage and salary employment was 27,800 lower during the twelve-month period ending October 1971 than during the twelve-month period ending October 1970. Table IV shows work force, unemployment and employment trends by industry in the San Francisco HMA since 1965. Employment data available for 1971 suggest that the decline in wage and salary employment in the HMA between 1970 and 1971 will be the largest yearly employment decline in the area since the recession period of 1957 to 1958.

Manufacturing employment in the HMA declined by 7,400 workers between 1969 and 1970, and averaged 14,600 less during the twelve-month period ending October 1971 than during the comparable period ending in October 1970. It is interesting to note that with one exception, employment has declined in all manufacturing industries in the HMA during the past year. Although in relative terms the aerospace industry is not as important to the local economy as to the economies of San Jose, Los Angeles, or San Diego, the impact of cutbacks in aerospace has been a prime cause of the decline in manufacturing employment in the San Francisco area. The California Department of Human Relations Development reports that employment in aerospace (which encompasses the electrical equipment, ordnance, instruments, and aircraft industries) declined by 3,400 in the HMA between late 1967 and 1971. Within the HMA, the economy of San Mateo County has been most affected by the cutbacks in defense spending in recent years. Employment in the automobile industry has declined in the last year because of a strike in the fall of 1970 and lower levels of production in response to a decline in sales. Because of extensive frost damage to crops, which precipitated a shortened processing season, there were lower levels of employment in the food processing industry during the last year. As a result of the decline in food processing activity, there was a lower level of demand for metal containers which resulted in layoffs in the fabricated metal industry. Recent employment declines in other manufacturing industries such as apparel can be attributed to cutbacks in consumer spending in response to the uncertain economic conditions that prevail both locally and nationally.

There has been a sharp decline in the rate of employment growth in non-manufacturing since the late 1960's. Employment in nonmanufacturing increased by only 4,600 between 1969 and 1970, then declined by 13,200 workers between the twelve-month periods ending October 1970 and October 1971. By comparison, employment growth in nonmanufacturing averaged 41,650 jobs a year between 1965 and 1969. Since 1969, there have been over-all employment declines in three nonmanufacturing categories and much lower than typical employment increases in several others. There was an increase in construction employment during the latter half of the 1960's because of a building boom in high-rise office buildings, hotels, motels, and the building of the Bay Area Rapid Transit system. However, construction employment began to decline in 1970 as many of the commercial projects were being completed. The volume of residential multifamily construction has increased since 1970, but has not been sufficient to offset the decline in commercial construction. Employment in communications and utilities has increased moderately in

employment losses in aerospace and defense-related activities have already taken place and the level of employment in these areas will stabilize. A forecast of employment growth also anticipates that the national economic picture will improve and that most sectors of the local economy will exhibit a moderate rate of expansion by the end of the first year of the November 1971 to November 1973 forecast period. Based on these considerations, it is estimated that nonfarm wage and salary employment in the HMA will increase by an average of 20,000 to 25,000 jobs a year between November 1971 and November 1973, with all of the gain expected to occur in nonmanufacturing. No increase in manufacturing employment is expected during 1972 and 1973. The expansion of the manufacturing sector during the latter half of the 1960's could be attributed primarily to increased spending for aerospace and defense-related activities, and an increase in spending in these areas is not anticipated in the near-term future. Although all of the employment growth in the HMA during the next two years is expected to occur in nonmanufacturing, the increase during the first year of the forecast period is expected to be limited somewhat by the current business slump. An increase in nonmanufacturing jobs by an average of 20,000 a year during the next two years would be below the average gain of 41,650 a year between 1965 and 1969, but would be fairly comparable to average gains in nonmanufacturing employment in the first half of the 1960 decade.

Income. After deduction of federal income tax, the median annual income of all families in the San Francisco HMA was estimated at \$11,700 as of November 1971, and the median after-tax income of renter households of two persons or more was \$9,325. An estimated seven percent of all families and 13 percent of the tenant households currently earn after-tax incomes of less than \$4,000 annually, while an estimated 15 percent of all families and eight percent of the renter families receive after-tax incomes of \$20,000 or more a year. See table V for distributions of all families and renter households in San Francisco, Oakland, and the remainder of the HMA by estimated annual after-tax income.

Population. The population of the San Francisco HMA was estimated to be 3,165,000 persons as of November 1, 1971, an increase of nearly 57,000 (36,000 annually) since the April 1970 Census. This was somewhat below the average gain of 45,926 persons a year that occurred in the HMA between 1960 and 1970. As shown in table VI, the population increase was greater in suburban Alameda County than in any of the other major HMA submarkets between 1960 and 1971. Population growth since 1960 also has been significant in Contra Costa and San Mateo Counties. Although Marin County has accounted for only a little more than a tenth of the total population growth in the HMA since 1960, this submarket had the highest annual rate of population growth (3.4 percent) between 1960 and 1971. The decline in population in both San Francisco and Oakland has accelerated since the mid-1960's because of declining levels of new construction and increased inventory losses resulting from demolitions and other removals from the inventory.

The declining rate of population growth in the HMA between April 1970 and November 1971 was the result of a decline in both net natural increase (excess of resident births over resident deaths) and net in-migration. Net

recent years; however, since 1970 the local transportation industry has been adversely affected by strikes, layoffs in response to fewer shipments of military goods to Southeast Asia, and a negligible increase in traffic and passenger volume at San Francisco International Airport. Employment growth in trade and services has declined sharply since 1969 because of tightened consumer spending in response to concerns over inflation and the uncertainty of future trends in the national economy. Although employment in state and local government has grown steadily in recent years, the gain since 1968 has been mostly offset by declines in federal civilian employment at the various defense installations in the Bay Area. Between August 1968 and December 1970, civilian employment at the military installations in the HMA declined by 10,000, reducing defense-related civilian employment to approximately the same level as in 1965, just prior to the start of the military build-up in Southeast Asia.

The impact of the military in the San Francisco area still is significant, although the numbers of both uniformed military personnel and federal civil service employees at the various installations have declined sharply in recent years. As of June 30, 1971, the latest date for which data were available, there were approximately 41,350 uniformed military personnel in the area, of whom 23,150 were shore-based and 18,200 were home-ported. The home-ported personnel are assigned to ships and are not in the area most of the time. However, the base to which they are assigned is responsible for providing the necessary services to their dependents, including housing. Military strength in the area has declined by nearly a third in the last four years; as of June 1967, there were over 60,650 uniformed military personnel stationed in the HMA. In addition to the military personnel, there were about 24,950 federal civil service employees at the various military installations in the area as of June 1967, a decline of 8,325 (25 percent) since December 1968.

Between 1965 and 1969, a period of rapid, sustained economic growth, the number of unemployed persons in the San Francisco HMA declined from 64,900 to 57,100, and the rate of unemployment fell from 5.0 percent to 3.9 percent. Corresponding to the economic downturn, there has been an increase in unemployment in the area since 1969. During the twelve-month period ending October 1971, the level of unemployment averaged 87,700 (6.0 percent of the work force), compared with an average level of unemployment of 70,300 (4.8 percent of the work force) during the twelve-month period ending October 1970 (see table IV). Most of the increase in unemployment during the last year or so can be attributed to the slowdown in the rate of economic growth nationally, cutbacks in aerospace, and cutbacks in civilian employment at other defense-related industries and military installations in the Bay Area. Despite the recent upturn in unemployment the rate of unemployment in the HMA at the present time is lower than in any other of the major labor market areas in California, a reflection of the highly diversified character of the San Francisco economy.

There are several assumptions implicit in a forecast of the level of employment growth that could reasonably be expected to occur in the San Francisco area during 1972 and 1973. The first is that most of the

natural increase in the HMA averaged about 27,750 a year during the 1960's but only 22,500 per year between 1970 and 1971. During the last decade, net natural increase declined by nearly a third, from 33,350 in 1960 to 22,975 in 1969. Net in-migration in the HMA averaged only 13,500 persons a year between April 1970 and September 1971, compared with an average of 18,150 a year between 1960 and 1970. It should be noted, however, that increased job opportunities induced a comparatively high rate of in-migration into the HMA during the mid-1960's, and that the annual rate of in-migration between 1970 and 1971 was substantially less than it was during the latter half of the 1960 decade.

During the two-year forecast period, the population of the HMA is expected to increase by an average of 33,000 persons a year to a total of 3,231,000 by November 1, 1973. Although the level of net natural increase is expected to increase slightly to an average of 23,000 annually during the next two years, a continuation of an upward trend that began in the late 1960's, net in-migration is expected to average only 10,000 persons a year during the November 1971 to November 1973 forecast period. A lower rate of net in-migration in the HMA during the next two years can be attributed primarily to three factors: (1) the generally unfavorable economic conditions throughout California will tend to limit in-migration from other states during the near future; (2) a continued decline in military strength in the HMA will result in the out-migration of many military families and their dependents; and (3) much of the employment growth expected in the HMA during 1972 and 1973 will be from among unemployed persons already residing in the HMA. See table VI for population trends in major submarkets in the HMA since 1960.

Households. There were an estimated 1,116,000 households (occupied housing units) in the San Francisco HMA as of November 1, 1971, an increase of an average of 19,050 households a year since April 1970. During the April 1960-April 1970 period, the number of households in the HMA increased by an average 20,127 yearly. In general, the trend of household growth has been similar to that of population growth, although the rate of increase in the number of households has been larger because of a continued decline in the average number of persons per household. A combination of comparatively low levels of new construction and continued net out-migration has led to a moderate decline in the number of households in the cities of San Francisco and Oakland since 1970.

Based on anticipated population increases and on a continued decline in the average household size, it is estimated that household growth in the HMA will average 18,500 a year during the next two years and reach a total of 1,153,000 by November 1973. As in the recent past, most of the household growth is expected to occur in suburban Alameda County and Contra Costa County. See table VI for household trends in the major submarkets of the HMA during the April 1960 to November 1973 period.

Housing Inventory. As of November 1, 1971, there were approximately 1,163,000 housing units in the San Francisco HMA, an increase of 32,750 units, or 20,700 a year, since April 1970 (see table VII). The net gain resulted from the construction of 42,900 new units and the net addition of

2,500 mobile homes, less 12,650 units removed from the inventory through demolition, fire loss, and other causes. Between April 1960 and April 1970, the housing supply in the HMA increased by an average of 19,375 a year. However, most of that growth (nearly 75 percent of the total) occurred between 1960 and 1965, when there was a high volume of residential construction. Although approximately 40 percent of the HMA housing supply is in the cities of San Francisco and Oakland, the housing inventory in these two cities has changed little since 1960 because new residential construction has been offset by an almost equal number of units removed from the inventory through demolitions and other causes. Changes in the HMA housing inventory by major submarket area are shown in table VII.

As measured by building permits, new residential construction in the HMA declined sharply from 31,054 units in 1965 to only 14,707 in 1966, an annual low for the 1960 decade. The decline was precipitated by restrictions in the mortgage market and by the cumulative effects of several years of a high volume of new residential construction. A moderate increase in the number of units authorized by building permits occurred in the succeeding three years, but construction activity still was far below the levels recorded in the early 1960's. However, since 1969, new construction in the HMA has accelerated sharply. A total of 25,543 units were authorized in 1970, the highest annual total since 1965, and 33,453 units were authorized in the first ten months of 1971, indicating that the annual total for 1971 will be the highest in the HMA since the early 1960's.

The number of single-family units authorized by building permits, which averaged about 9,500 units a year between 1966 and 1970, trended downward throughout much of the 1960 decade. However, a total of 14,386 single-family units were permitted in the first ten months of 1971, indicating that the yearly total for 1971 will be the highest since 1965. Although new construction under the FHA Section 235 program has increased sharply since 1970, those units have accounted for only a small proportion of the increase in single-family construction in 1971. Multifamily building permit authorizations in the HMA have increased steadily each year to a total of 16,149 units in 1970 and 19,087 units in the first ten months of 1971. Alameda County has accounted for more single-family and multifamily construction in the HMA since the mid-1960's than any other submarket, followed by Contra Costa County. Combined, these two counties have accounted for nearly two-thirds of the housing units authorized by building permits in the HMA since January 1965. Trends in the number of housing units authorized by building permits between 1965 and 1971 are shown in table VIII. All new construction in the HMA is in areas that require a building permit.

Rental housing provided under several federal programs has been partially responsible for the increase in multifamily construction in the HMA in recent years. Of the multifamily units authorized by building permits since January 1965 (an average of 12,575 units annually), approximately 10,925 have been for nonsubsidized units and 1,650 have been for subsidized units. As shown in table IX, the number of subsidized multifamily housing units has risen markedly in recent years, from only 350 in 1966 to 2,669 in 1970 and 1,951 in the first ten months of 1971.

There were an estimated 17,900 housing units under construction in the HMA in November 1971, including 3,900 single-family units and 14,000 units in multifamily structures. Single-family construction activity, as well as multifamily, is concentrated in Alameda and Contra Costa Counties. The estimates of multifamily construction include nearly 1,975 units of low-rent public housing, and 1,800 units in Section 221(d)(3) BMIR and Section 236 projects. Most of the subsidized multifamily projects under construction are located in Alameda County and San Francisco.

Tenure. Because of the predominance of apartment construction in the HMA and the declining volume of single-family construction throughout the 1960's, the percentage of renter-occupied households increased from 45.6 percent in 1960 to 48.4 percent in 1970. The San Francisco and Alameda County submarkets continue to have the greatest concentrations of renter households, but the largest relative shift in tenure during the decade occurred in two other submarkets. Renter occupancy in Marin County increased from 33.4 percent to 39.1 percent, and in San Mateo County from 27.6 percent to 38.8 percent (see table VII). Since the 1970 Census, there has been a modest reversal of the shift to renter occupancy, but the proportion of renter occupancy can be expected to increase again during the next two years because of the large number of rental units currently under construction.

Vacancy. In November 1971, there were approximately 32,400 vacant housing units in the HMA available for sale or rent. Of these, 5,550 were available for sale and 26,850 were for rent, equal to a homeowner vacancy rate of 0.9 percent and a renter vacancy rate of 4.8 percent. The combination of increased apartment construction, plus a declining rate of household growth has resulted in an increase in the renter vacancy rate, which was 4.6 percent in April 1970. Since 1970, every submarket, particularly Contra Costa and San Mateo Counties, has had an increase in rental vacancies. The increase in the renter vacancy rate since early 1970 would have been somewhat greater but for the fact that a large number of units authorized by building permits in 1970 and 1971 have not been completed. The large number of rental units currently under construction, combined with the lower rate of household growth expected during the next two years suggests that the number of renter vacancies will continue to increase throughout most of the two-year forecast period. Table X presents vacancy trends in the HMA by submarket area between 1960 and 1971.

Table I

Estimated Annual Demand for New Nonsubsidized Sales Housing

San Francisco, California, Housing Market Area

November 1, 1971 to November 1, 1973

	<u>Alameda County</u>		<u>Contra Costa County</u>		<u>Marin County</u>	
	<u>Number of units</u>	<u>Percentage distribution</u>	<u>Number of units</u>	<u>Percentage distribution</u>	<u>Number of units</u>	<u>Percentage distribution</u>
<u>Sales price</u>						
Under \$20,000	430	9	440	13	-	-
\$20,000 - 22,499	770	16	580	17	-	-
22,500 - 24,999	860	18	680	20	50	5
25,000 - 27,499	820	17	440	13	140	15
27,500 - 29,999	720	15	370	11	110	12
30,000 - 34,999	620	13	410	12	180	19
35,000 - 39,999	340	7	270	8	190	20
40,000 and over	240	5	210	6	280	29
Total	4,800	100	3,400	100	950	100
	<u>San Francisco County</u>		<u>San Mateo County</u>		<u>HMA total</u>	
	<u>Number of units</u>	<u>Percentage distribution</u>	<u>Number of units</u>	<u>Percentage distribution</u>	<u>Number of units</u>	<u>Percentage distribution</u>
<u>Sales price</u>						
Under \$20,000	-	-	-	-	870	8
\$20,000 - 22,499	-	-	40	3	1,390	13
22,500 - 24,999	-	-	70	5	1,660	16
25,000 - 27,499	5	5	260	19	1,665	16
27,500 - 29,999	10	10	160	12	1,370	13
30,000 - 34,999	10	10	300	22	1,520	14
35,000 - 39,999	35	35	240	18	1,075	10
40,000 and over	40	40	280	21	1,050	10
Total	100	100	1,350	100	10,600	100

Table II

Estimated Annual Demand for New Nonsubsidized Rental Housing
San Francisco, California, Housing Market Area
November 1, 1971 to November 1, 1973

Monthly Gross rent ^{a/}	Alameda County			Contra Costa County			Marin County		
	One bedroom	Two bedroom	Three bedroom	One bedroom	Two bedroom	Three bedroom	One bedroom	Two bedroom	Three bedroom
Under \$175	275	-	-	135	-	-	30	-	-
\$175 - 199	50	1,250	-	35	790	-	10	190	-
200 - 224	30	530	-	15	330	-	5	80	-
225 - 249	15	225	1,135	-	145	135	-	35	210
250 - 274	-	95	130	-	55	65	-	15	90
275 - 299	-	50	55	-	25	125	-	10	20
300 - 324	-	20	30	-	20	45	-	15	15
325 - 349	-	-	15	-	-	30	-	10	10
350 and over	-	30	25	-	20	15	-	10	5
Total	370	2,170	295	185	1,365	320	45	330	60
Monthly Gross rent ^{a/}	San Francisco County			San Mateo County			HMA total		
	One bedroom	Two bedroom	Three bedroom	One bedroom	Two bedroom	Three bedroom	One bedroom	Two bedroom	Three bedroom
Under \$175	-	-	-	-	-	-	440	-	-
\$175 - 199	45	-	-	80	-	-	220	-	-
200 - 224	30	175	-	55	840	-	2,230	-	-
225 - 249	15	110	-	35	355	-	1,955	-	-
250 - 274	10	75	90	20	840	-	65	2,285	-
275 - 299	10	45	10	35	150	95	30	1,900	285
300 - 324	5	35	40	5	65	50	15	390	240
325 - 349	-	20	5	-	25	35	5	195	155
350 and over	-	35	5	-	20	15	-	100	115
Total	115	495	40	195	1,455	200	910	5,760	65

^{a/} Gross rent is equal to shelter rent plus the cost of all utilities.

Table IV

**Work Force, Unemployment, and Employment by Industry
San Francisco, California, Housing Market Area**

Work force components	Annual Averages, 1965-1971 (in thousands)					12-mo. average ending:	
						October 31 1970	October 31 1971
	1965	1966	1967	1968	1969	1970	1971
Total civilian work force ^a /	1,289.6	1,333.8	1,370.9	1,413.2	1,457.7	1,471.6	1,460.7
Total unemployment	64.9	58.7	60.6	56.4	57.1	74.6	87.7
Percent of work force	5.0%	4.4%		4.0%	3.9%	5.1%	6.0%
Total employment	1,224.7	1,275.1	1,310.3	1,356.8	1,400.6	1,397.0	1,373.0
Wage and salary employment	1,079.5	1,133.0	1,168.6	1,215.5	1,257.5	1,254.7	1,232.0
Manufacturing	197.5	203.9	202.1	204.7	208.9	201.5	189.8
Durable goods	129.1	104.1	103.4	104.9	108.5	102.3	94.1
Primary metals	12.1	12.3	12.7	12.9	13.0	13.0	11.8
Fabricated metals	21.5	22.9	22.7	23.1	23.9	23.1	21.8
Non-electrical machinery	15.3	16.2	16.5	16.3	17.4	17.5	15.4
Electrical machinery	16.2	18.7	18.6	18.9	19.4	17.7	15.3
Auto assembly	9.5	9.5	9.5	10.2	10.6	8.3	8.0
Shipbuilding	2.9	4.7	4.0	4.0	4.3	3.2	3.3
Other durable goods	20.4	19.8	19.4	19.5	19.9	19.5	18.5
Non-durable goods	99.6	99.8	98.7	99.8	100.4	99.2	95.7
Canning and processing	9.9	10.2	9.5	10.1	9.7	9.2	8.9
Other food products	27.7	27.5	26.6	26.2	25.8	25.0	24.7
Apparel	8.4	8.8	8.9	8.8	9.4	9.5	9.5
Printing	20.1	19.5	19.4	19.2	19.6	19.6	18.9
Other non-durable goods	33.5	33.8	34.3	35.5	35.9	36.3	33.7
Non-manufacturing	882.0	929.2	966.5	1,010.8	1,048.6	1,053.2	1,042.2
Construction	68.1	65.1	60.1	62.6	64.6	61.9	58.6
Transp., comm., utilities	108.3	116.4	125.0	129.9	134.9	133.2	127.8
Trade	235.1	242.3	246.9	256.2	266.0	265.5	264.0
Fin., ins., real estate	77.8	79.3	83.1	88.6	93.6	96.7	96.4
Services	169.3	184.9	194.0	205.4	215.8	222.5	221.3
Government	221.6	239.6	255.8	266.3	271.9	271.5	272.3
Mineral extraction	1.8	1.6	1.6	1.8	1.8	1.9	1.8
All other employment ^b /	145.2	142.1	141.7	141.3	143.1	142.3	141.0

Note: In some instances, detail does not add to totals because of rounding.

a/ Excludes persons involved in labor-management disputes.

b/ Includes agricultural workers, unpaid family workers, domestic, and the self-employed.

Source: California Department of Human Resources Development.

Table III

Estimated Annual Occupancy Potential for Subsidized Housing
San Francisco, California, Housing Market Area
November 1, 1971 to November 1, 1973

<u>Size of unit</u>	<u>Section 235 and</u> <u>236 exclusively</u>	<u>Eligible for</u> <u>both programs</u>	<u>Public housing</u> <u>exclusively</u>	<u>Total potential</u> <u>for both programs</u>
<u>A. Families</u>				
1 bedroom	420	55	600	1,075
2 bedrooms	1,150	100	1,170	2,420
3 bedrooms	770	25	655	1,450
4 bedrooms	<u>410</u>	<u>20</u>	<u>325</u>	<u>755</u>
Total	<u>2,750^a/</u>	<u>200^b/</u>	<u>2,750^b/</u>	5,700
<u>B. Elderly</u>				
Efficiency	395	920	2,730	4,045
1 bedroom	<u>205</u>	<u>230</u>	<u>320</u>	<u>755</u>
Total	600	<u>1,150^c/</u>	<u>3,050^c/</u>	4,800

a/ Estimates are based on regular income limits.

b/ About 25 percent of these families are eligible for the rent-supplement program.

c/ All of these elderly couples and individuals also are eligible under the rent-supplement program.

Table V

Percentage Distribution of All Families and Renter Households^{a/}
by Estimated Annual After-Tax Income
San Francisco, California, Housing Market Area
As of November 1, 1971

All families

<u>Annual income</u> <u>after tax</u>		<u>San</u> <u>Francisco</u>	<u>Oakland</u>	<u>Remainder</u> <u>of HMA</u>	<u>HMA</u> <u>Total</u>
Under	\$4,000	8	11	5	7
\$4,000 -	4,999	4	4	3	3
5,000 -	5,999	4	6	3	4
6,000 -	6,999	6	5	4	4
7,000 -	7,999	6	6	5	6
8,000 -	8,999	6	7	6	6
9,000 -	9,999	8	7	6	7
10,000 -	12,499	16	17	20	18
12,500 -	14,999	14	12	15	11
15,000 -	17,499	8	8	9	12
17,500 -	19,999	6	5	7	7
20,000	and over	14	12	17	15
Total		100	100	100	100
Median income		\$11,100	\$10,500	\$12,200	\$11,700

Renter households^{a/}

<u>Annual income</u> <u>after tax</u>		<u>San</u> <u>Francisco</u>	<u>Oakland</u>	<u>Remainder</u> <u>of HMA</u>	<u>HMA</u> <u>Total</u>
Under	\$4,000	12	16	12	13
\$4,000 -	4,999	5	6	5	5
5,000 -	5,999	6	7	6	7
6,000 -	6,999	8	6	8	7
7,000 -	7,999	6	8	7	7
8,000 -	8,999	10	8	8	8
9,000 -	9,999	7	8	8	8
10,000 -	12,499	16	16	17	16
12,500 -	14,999	10	10	11	10
15,000 -	17,499	6	5	6	6
17,500 -	19,999	5	4	5	5
20,000	and over	9	6	7	8
Total		100	100	100	100
Median income		\$9,450	\$8,850	\$9,400	\$9,325

^{a/} Excludes one-person renter households.

Source: Estimated by Housing Market Analysts.

Population and Household Trends
San Francisco, California, Housing Market Area
April 1, 1960 - November 1, 1973

<u>Population</u>	<u>April 1 1960</u>	<u>April 1 1970</u>	<u>November 1 1971</u>	<u>November 1 1973</u>	<u>Average annual changes</u>		
					<u>1960- 1970</u>	<u>1970- 1971</u>	<u>1971- 1973</u>
HMA total	2,648,762	3,108,022	3,165,000	3,231,000	45,926	36,000	33,000
Alameda County	908,209	1,073,184	1,098,000	1,129,000	16,497	15,700	15,500
Oakland	367,548	361,561	357,300	351,000	-599	-2,700	-3,150
Remainder of county	540,661	711,623	740,700	778,000	17,096	18,400	18,650
Contra Costa County	409,030	555,805	579,400	606,000	14,678	14,900	13,300
Marin County	146,820	206,758	211,400	217,600	5,994	2,925	3,100
San Francisco County	740,316	715,674	706,800	694,800	-2,464	-5,600	-6,000
San Mateo County	444,387	556,601	569,400	583,600	11,221	8,075	7,100
<u>Households</u>							
HMA total	884,588	1,085,852	1,116,000	1,153,000	20,127	19,050	18,500
Alameda County	295,367	365,093	377,400	392,900	6,973	7,775	7,750
Oakland	133,843	138,831	138,000	136,500	499	-525	-750
Remainder of county	161,524	226,262	239,400	256,400	6,474	8,300	8,500
Contra Costa County	117,858	172,951	183,100	195,500	5,509	6,400	6,200
Marin County	44,209	67,606	70,000	73,300	2,340	1,525	1,650
San Francisco County	291,975	295,174	293,500	291,000	320	-1,050	-1,250
San Mateo County	135,179	185,028	192,000	200,300	4,985	4,400	4,150

Sources: 1960 and 1970 from U. S. Censuses of Population and Housing.
1971 and 1973 estimated by Housing Market Analysts.

Table VII

Trends in the Housing Inventory, Tenure, and Vacancy
San Francisco, California, Housing Market Area
April 1, 1960-November 1, 1971

Area and date	Total housing inventory	Occupied housing units				Total vacant units		
		Total	Owner occupied		Renter occupied			
			Number	Percent			Number	Percent
HMA total								
April 1, 1960	936,501	884,588	481,287	54.4	403,301	45.6	51,913	
April 1, 1970	1,130,239	1,085,852	560,749	51.6	525,103	48.4	44,387	
November 1, 1971	1,163,000	1,116,000	579,800	52.0	536,200	48.0	47,000	
Alameda County								
April 1, 1960	310,312	295,367	166,172	56.3	129,195	43.7	14,945	
April 1, 1970	379,766	365,093	189,344	51.9	175,749	48.1	14,673	
November 1, 1971	392,700	377,400	198,600	52.6	178,800	47.4	15,300	
Contra Costa County								
April 1, 1960	124,279	117,858	85,710	72.7	32,148	27.3	6,421	
April 1, 1970	178,384	172,951	120,018	69.4	52,933	30.6	5,433	
November 1, 1971	189,500	183,100	125,700	68.7	57,400	31.3	6,400	
Marin County								
April 1, 1960	49,581	44,209	29,461	66.6	14,748	33.4	5,372	
April 1, 1970	71,241	67,606	41,154	60.9	26,452	39.1	3,635	
November 1, 1971	73,700	70,000	43,100	61.6	26,900	38.4	3,700	
San Francisco County								
April 1, 1960	310,559	291,975	102,141	35.0	189,834	65.0	18,584	
April 1, 1970	310,402	295,174	97,036	32.9	198,138	67.1	15,228	
November 1, 1971	309,100	293,500	96,800	33.0	196,700	67.0	15,600	
San Mateo County								
April 1, 1960	141,770	135,179	97,803	72.4	37,376	27.6	6,591	
April 1, 1970	190,446	185,028	113,197	61.2	71,831	38.8	5,418	
November 1, 1971	198,000	192,000	115,600	60.2	76,400	39.8	6,000	

Sources: 1960 and 1970 from U. S. Censuses of Housing
1971 estimated by Housing Market Analysts.

Table VIII

New Housing Units Authorized by Building Permits
San Francisco, California, Housing Market Area
Annual Totals, 1965-1971

Units in structures by area	1965	1966	1967	1968	1969	1970	1971 ^{a/}
HMA total	31,054	14,707	15,600	20,571	21,143	25,543	33,453
Single family	14,235	9,031	8,662	10,901	9,566	9,394	14,386
Two to four family	4,028	1,446	1,633	1,597	2,453	2,100	2,478
Five or more family	12,791	4,230	5,305	8,073	9,124	14,049	16,589
Alameda County	10,762	5,220	5,618	8,310	8,654	10,276	12,817
Single family	4,661	3,248	2,810	4,021	4,027	4,954	6,735
Two to four family	1,636	614	604	567	624	633	635
Five or more family	4,465	1,358	2,204	3,722	4,003	4,689	5,447
Contra Costa County	7,927	4,111	4,899	5,383	6,347	6,732	9,208
Single family	4,457	3,142	3,166	4,130	2,870	2,178	4,018
Two to four family	809	347	409	376	1,167	979	1,143
Five or more family	2,661	622	1,324	877	2,310	3,575	4,047
Marin County	2,290	1,603	1,138	1,527	1,630	1,304	2,647
Single family	1,733	935	800	996	931	834	1,348
Two to four family	146	86	124	56	127	101	84
Five or more family	411	582	214	475	572	369	1,215
San Francisco County	3,398	1,452	1,270	1,936	1,413	1,671	2,992
Single family	397	279	111	118	77	144	149
Two to four family	524	188	211	375	285	220	262
Five or more family	2,477	985	948	1,443	1,051	1,307	2,581
San Mateo County	6,677	2,321	2,675	3,415	3,099	5,560	5,789
Single family	2,987	1,427	1,775	1,636	1,661	1,284	2,136
Two to four family	913	211	285	223	250	167	354
Five or more family	2,777	683	615	1,556	1,188	4,109	3,299

Note: The table includes both subsidized and nonsubsidized housing units. a/ First ten months.

Sources: U. S. Bureau of the Census, Construction Reports C-40 and C-42, and San Francisco Field Office,
U. S. Department of Commerce.

Table IX

Trend of New Construction of Nonsubsidized and Subsidized Multifamily Housing
San Francisco, California, Housing Market Area
Annual Totals, 1965 - 1971

<u>Type of housing</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971^{a/}</u>
HMA total	<u>16,819</u>	<u>5,676</u>	<u>6,938</u>	<u>9,670</u>	<u>11,577</u>	<u>16,149</u>	<u>19,067</u>
Nonsubsidized	16,028	5,326	4,895	8,284	9,430	13,480	17,116
Subsidized	<u>791</u>	<u>350</u>	<u>2,043</u>	<u>1,386</u>	<u>2,147</u>	<u>2,669</u>	<u>1,951</u>
Public low-rent housing <u>b/</u>	707	530	126	1,076	1,502	531	1,129
Section 771(d) (3) BMTB	84	-	1,515	270	227	204	32
Section 776	-	-	-	-	418	1,934	790
Section 772	-	-	402	40	-	-	-

a/ First ten months.

b/ Includes housing developed under the Turnkey program.

Sources: U. S. Bureau of the Census, Construction Reports C-40 and C-42, and estimates by Housing Market Analysts.

Trends of Vacancy
San Francisco, California, Housing Market Area
April 1, 1960-November 1, 1971

Area and date	Total vacant units	Available vacant housing units for sale				for rent				Other vacant units/a/
		Total	Number	Percent		Number	Percent			
HMA total										
April 1, 1960	51,913	34,480	6,256	1.3		28,224	6.5		17,433	
April 1, 1970	44,387	30,301	5,148	0.9		25,153	4.6		14,086	
November 1, 1971	47,000	32,400	5,550	0.9		26,850	4.8		14,600	
Alameda County										
April 1, 1960	14,945	10,816	2,175	1.3		8,641	6.3		4,129	
April 1, 1970	14,673	10,823	1,978	1.0		8,845	4.8		3,850	
November 1, 1971	15,300	11,250	2,150	1.1		9,100	4.8		4,050	
Contra Costa County										
April 1, 1960	6,421	3,660	1,307	1.5		2,353	6.8		2,761	
April 1, 1970	5,433	3,650	1,077	0.9		2,573	4.6		1,783	
November 1, 1971	6,400	4,525	1,225	1.0		3,300	5.4		1,875	
Marin County										
April 1, 1960	5,372	1,868	605	2.0		1,263	7.9		3,504	
April 1, 1970	3,635	1,571	440	1.1		1,131	4.1		2,064	
November 1, 1971	3,700	1,700	475	1.1		1,225	4.4		2,000	
San Francisco County										
April 1, 1960	18,584	14,253	737	0.7		13,516	6.6		4,331	
April 1, 1970	15,228	10,575	720	0.7		9,855	4.7		4,653	
November 1, 1971	15,600	10,700	700	0.7		10,000	4.8		4,900	
San Mateo County										
April 1, 1960	6,591	3,883	1,432	1.4		2,451	6.2		2,708	
April 1, 1970	5,418	3,682	933	0.8		2,749	3.7		1,736	
November 1, 1971	6,000	4,225	1,000	0.9		3,225	4.1		1,775	

a/ Includes dilapidated units, units rented or sold and awaiting occupancy, vacant seasonal units, units held off the market, and vacant units held for migratory workers.

Sources: 1960 and 1970 from U. S. Censuses of Housing, 1971 estimated by Housing Market Analysts.

